Mesaba Energy Project, PUC Docket No. E6472/GS-06-668

DOE Draft EIS for the Mesaba Energy Project (DOE/EIS-0382D)
Comments on Draft EIS

Submitted by: Citizens Against the Mesaba Project

1. Carbon Capture and Sequestration (CCS) is arguably the main potential advantage of IGCC technology. Excelsior Energy only added their CCS "plan" when it became politically necessary to do so. MPUC Chair Koppendrayer has stated "You're in the wrong place." The DEIS states that "Excelsior has not established a detailed design for carbon capture and sequestration", and goes on to say that CCS is not feasible or economically viable for the Mesaba Energy Project. *Why allow this project to go forward if it has virtually no hope of realizing the main theoretical advantages of the technology? Given Minnesota's plan to reduce greenhouse gas emissions by 15% by the year 2015 and 80% by 2050, why would we allow a project to go forward that would be the state's 2nd largest polluter of CO2 and has no realistic hope of CCS?*

2. Excelsior Energy's plan calls for the Canisteo Mine Pit to be closed to recreational use. The original Joint Permit Application outlined how this extraordinarily clear trout fishery would be ruined by concentrated discharge of cooling tower blowdown water. The appeal of the West Site for Excelsior is the availability of water that is not in the Lake Superior Watershed making it possible to discharge more mercury into our local waters. The DEIS does not reflect the importance of the CMP for local recreation. Excelsior continues to confuse the issue by discussing alternative water discharge plans based on theoretical future changes in water discharge permitting. Why should we allow Excelsior Energy to take a rare lake trout fishery away from the public, and why should we allow them to pollute our local waters when technology exists to prevent this pollution completely?

Excelsior states that the Mesaba Project will not contribute additional mercury to the water discharge. Although they have repeatedly made this misleading statement, the reality is that the discharge water will carry highly concentrated levels of mercury, sulfates, and dissolved solids into Canisteo Mine Pit and/or Holman Lake and the Mississippi River. *Given the complex relationship of mercury in an aquatic environment, shouldn't the DEIS give accurate detail related to mercury discharge and subsequent impact? Why would the DEIS continue to repeat some of the same misleading statements given by Excelsior regarding mercury discharge? Why would the DEIS use an impact are of 3km when the mercury deposition will affect 720 lakes over 340 square km?*

What is the health impact related to the 487,000 fish harvested from those lakes? Please address this health impact, especially as it relates to children and women of childbearing age. The DEIS should also address this impact relative to the information in Excelsior's JPA regarding the increased risk of cardiovascular disease in men even with low level chronic mercury exposure.

4. Adverse health consequences of the Mesaba Project are of significant local concern. Excelsior's early information to the MPUC in 2005 outlined significant negative health impacts related to air quality and plant emissions. These problems have been outlined during the Citizen's Advisory Task Force, in a letter to the MPUC signed by a majority of

Itasca County physicians and nurse practitioners, and in citizen comments during the DEIS scoping. The DEIS discusses EMF health concerns, gives statistics related to the percentage of the population that is overweight, smokes, drinks, has hypertension, etc. However, the DOE/DOC ignores the real issue, which is the significant and expected increase in mortality and morbidity (death and illness) should this plant be built. The New England Journal of Medicine recently published a study outlining the 70-80% increase in heart attack and stroke for every 10 mcg/mm3 increase in PM 2.5 (See attached NJM article) ***Why does the DEIS fail to address the negative health consequences directly related to the Mesaba Energy Project?***

5. The DEIS lists "need" as a benefit of the Mesaba Project based on Excelsior's claim of regional baseload power need in the future. The Army Corps of Engineers and many citizens have challenged these claims, yet the DEIS then goes on to dismiss public comments refuting Excelsior's claims of "need". ***Why would the DEIS ignore valid arguments contrary to Excelsior's unproven claim of need, yet list Excelsior's claim of need as a benefit of the Project?***

6. The MPUC doesn't believe that the Power Purchase Agreement is in the public interest, as Excelsior's energy will be too expensive and the Project carries excessive risk. ***Why does the DEIS indicate the MPUC will determine the public interest of this project, then disregard the MPUC findings/recommendations and instead reference Excelsior's press-release talking points in support of the Project?***

7. The DEIS cites Excelsior's claims of economic benefit based on a single limited and poorly conducted study of economic impact that grossly overstates the Mesaba Project's economic impact. The DEIS then dismisses strong arguments against the claimed economic impact of this study stating that this will be evaluated by the MPUC. The MPUC has determined that a Power Purchase agreement with Excel Energy is not in the public interest due to the expense and risk to ratepayers. No cost benefit or total impact studies have been performed ***Why were citizen comments dismissed yet Excelsior's unfounded claims included?*** ***Why is the MPUC referenced as evaluating the economic merits of the project only to have that evaluation ignored?***

8. The Minnesota DNR submitted numerous scoping comments related to water discharge and mercury deposition. The DNR has also maintained a strong interest in the Canisteo Mine Pit lake trout fishery, as well as in restoring water flow to Trout Lake (and thus improving Trout Lake water quality) from the CMP watershed. Why does it appear that these comments have not been taken into consideration?

9. The DEIS outlines an ambitious emissions reduction program by Minnesota Power (MP), and states that these reductions would potentially offset visibility impacts related to the Mesaba Energy Project. ***Why should we allow Excelsior Energy to "offset" Minnesota Power's emissions reductions and negate this improvement to our air quality?***

10. The East Range site (Hoyt Lakes) carries less environmental impact than the West Range site. Although the air emissions, cost issues, and risk would be roughly the same, the West Site is more advantageous for Excelsior primarily because they can discharge higher mercury concentration water and might have greater ease obtaining land in the proposed footprint. There are many environmental disadvantages to the West Site. ***Why does the DEIS appear to give preference to the more environmentally sensitive site just because of cost advantage for the developer?***

11. Excelsior Energy did not perform a thorough investigation of the environmental permitting process as it relates to their original East Range site. Excelsior now says it would be too expensive to eliminate water discharge, so the West Site is preferred. This is because they apparently didn't realize the East Site is in the Lake Superior watershed and has a lower mercury standard. If this is the case, then they really don't have an "alternative" site, which is required. It may also mean that they don't even have a preferred site as their current plan won't allow permitting for water discharge. The current plan seems as poorly thought out as the first as they now need to rely on a "variance" or a possible future TMDL system which does not currently exist. The DEIS could give scenarios on possible future options if regulations change, but the DEIS should first outline how Excelsior plans to meet permit requirements under current conditions.

12. Cumulative air quality effects are poorly outlined in this DEIS. For example, MSI already exceeds the Class I (BWCAW) limit for NOx and is supposed to buy NOx offsets to meet its permit requirement. It is unlikely these offsets will be able to be purchased. Since Mesaba is behind MSI in the permit line, Mesaba must have a NOX emission of zero, or purchase 100% of their NOx offset in addition to what MSI is supposed to buy. The DEIS makes no mention of this problem. *Why does the DEIS have such gross omissions with regard to cumulative effects?* Why does the air quality modeling give no input assumptions/data? *Why does the air quality information use modeling that gives low/conservative estimates?*

13. The only way the Mesaba Project can meet environmental permitting criteria for water discharge (East or West site) is to totally eliminate water discharge. The DEIS gives a brief superficial description of this process. *The Final EIS should clearly indicate that total elimination of water discharge is necessary to comply with environmental regulations, and should give a detailed description of the Zero Liquid Discharge Process to be used. Only then can the actual environmental impact of the Mesaba Project be assessed as it relates to water quality.*